



Kenneth M. Rubin
Assistant General Counsel
Florida Power & Light Company
700 Universe Boulevard
Juno Beach, FL 33408-0420
(561) 691-2512
(561) 691-7135 (Facsimile)
E-mail: Ken.Rubin@fpl.com

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Mr. Adam Teitzman
Division of the Commission Clerk and Administrative Services
Florida Public Service Commission
2540 Shumard Oak Blvd.
Tallahassee, FL 32399-0850

Re: Docket No. 20180049-EI – FPL’s Responses to Staff’s Second Settlement Agreement Data Requests (Nos. 1-6)

Dear Mr. Teitzman:

Enclosed for filing in the above referenced docket is Florida Power & Light Company’s (“FPL”) non-confidential responses to Staff’s Second Settlement Agreement Data Requests (Nos. 1 – 6). FPL takes the position that a portion of its response to Staff’s Second Settlement Agreement Data Request No. 6 is confidential; the redacted response to Data Request No. 6 is included with this filing. A Notice of Intent to Seek Confidential Classification and confidential treatment of that information has also been filed on this date.

Please contact me if you or your Staff has any questions regarding this filing.

Sincerely,

s/ Kenneth M. Rubin
Kenneth M. Rubin

Enclosure

cc: Counsel for Parties of Record

QUESTION:

Please describe the situation(s) where the use of the Application (App) would not be “reasonably practicable.”

RESPONSE:

It is possible that during a catastrophic situation the use of the Application (App) would not be reasonably practicable. For instance, damage to telecommunication networks could result in not being able to use the App at a particular point in time. FPL personnel train for these eventualities, as it is not uncommon during storm restoration for FPL personnel to execute contingency plans or to improvise alternative solutions, if the systems on which they rely for restoration efforts are temporarily out of service.

QUESTION:

What are the estimated savings (monetary and time) associated with using the App for the years 2019 and 2020?

RESPONSE:

FPL has not attempted to quantify monetary or time savings associated with the use of the App for the years 2019 and 2020.

For qualitative efficiencies and anticipated benefits from a time standpoint, please see FPL's response to Staff's Second Settlement Data Request No. 3.

QUESTION:

What are the benefits that will be realized by using the App to track expenses and time?

RESPONSE:

The App is expected to significantly streamline the process used by line contractors, vegetation management contractors, and FPL personnel by providing a platform for the electronic submission, review and approval or rejection of time and expense entries. These expectations have been supported through presentations made to FPL personnel and external vendors. The App is also expected to be used during storm events to monitor timesheet completion and exceptions, improve our exception documentation process, and maintain greater visibility on crews and rosters.

In addition to the foregoing, the data obtained through the use of the App is expected to significantly improve the processes and enhance the controls involved in the review and approval of vendor invoices. Further, the data obtained through this process will be provided to Commission Staff and parties to future storm cost recovery proceedings which is expected to facilitate review of storm costs and related documents for all parties, Staff, and the Commission.

QUESTION:

What additional features may be added to the App in the future?

RESPONSE:

The second phase of the App is still being scoped and, as a result, the additional features that may be added in the future are still being evaluated at this time. However, an example of the type of additional features FPL is currently evaluating is the possibility of enhancing the exception reporting process by building more rules into the up-front time entry and review process. Additionally, FPL is evaluating additional features or solutions that can be used to further leverage the electronic data to automate the invoice and payment process with our vendors and further enhancing reporting.

QUESTION:

Please calculate the difference between the Incremental Cost Methodology of Capitalized Costs outlined in Section 20 of the Settlement Agreement, and the capitalized amount resulting from the application of the ICCA methodology outlined in Rule 25-6.0143, F.A.C.

RESPONSE:

The only difference between the application of Section 20 of the Settlement Agreement and the capital estimate reflected in line 14 of Exhibits KF-3 and KF-4 is that for purposes of Exhibits KF-3 and KF-4, FPL used only the internal labor rate when calculating the Distribution estimate of capital incurred during restoration. FPL's agreement to utilize the combined simple average of the internal labor and embedded contractor rates incurred under normal, non-storm, conditions modifies the inputs but does not change the ICCA methodology outlined in Rule 25-6.0143, F.A.C. Incorporating the combined simple average of the internal labor and embedded contractor rates incurred under normal, non-storm, conditions results in an increase in FPL's overall capital estimate of approximately \$700 thousand, such that FPL's total capital estimate for Hurricane Irma would increase from \$98.2 million to \$98.9 million.

Modification to the inputs addressed by Section 20 of the Settlement Agreement will only affect FPL's Distribution estimate incurred during restoration. Transmission restoration was calculated using a blended average of internal and embedded contractor labor. Follow-up capital for Distribution & Transmission, and materials used and capital incurred by other functions, reflect the actual cost of this work consistent with normal conditions.

QUESTION:

Is the Crew Tracking Application, referred to in Section 8 of the Settlement Agreement, proprietary to FPL or is it commercially available? If the Application is proprietary, what are the estimated costs to develop and maintain the Application? If the Application is commercially available, what are the costs of using the Application.

RESPONSE:

The Crew Tracking Application FPL uses is commercially available. FPL refers to the tool as the "Mutual Assistance Automatic Vehicle Locator" (MAAVL). It is part of a suite of products for which FPL currently pays an annual fee of [REDACTED]